Refrigerator Recycling Overview

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and

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to

ENERGY STAR Appliance Partner Meeting Plenary Session

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Discussion Topics

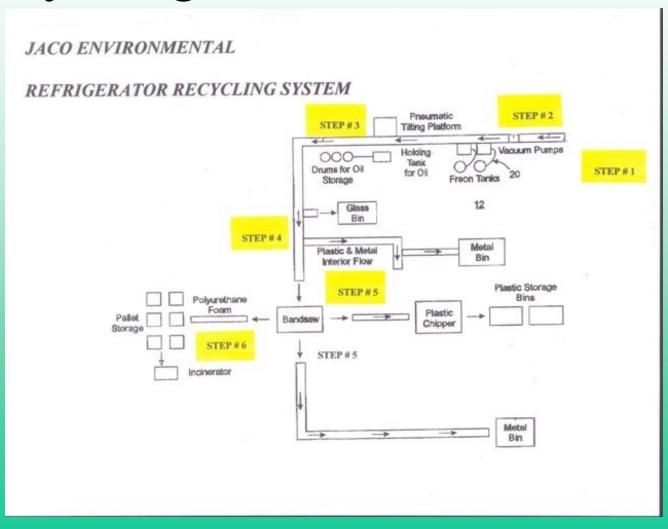
- Why Do Refrigerator Recycling?
- Recycling Process Overview
- Refrigerator Recycling Programs Features and Current Implementations
- 2004 Nevada Program Description and Observations

Why Do Refrigerator Recycling?

- Utility bill savings to the customer (get rid of the old "energy hog")
- Secondary unit programs usually cost-effective to electric utilities where natural gas is marginal supply
 - Passes both societal (TRC) and utility cost tests even if significant free ridership occurs

Environmental benefits

- Properly dispose of oils, PCB's, & CFC-11 foam
- Properly recycle CFC-12, HFC-134a, steel, & aluminum
- Avoided landfill (mainly foam, glass, & plastic)



- Fully permitted
- Conducted in a clean, modern warehouse-like facility





- Step 1: Catalog Unit, and Drill Core Sample
 - Cataloging involves recording unit number and originating utility information
 - Core sample drilling involves boring 1" hole in unit side to inspect type of insulation (to see if CFC-11 present)

• Step 2: Evacuate Freon



 Step 3: Pump Oils from Compressor / Remove Capacitors



- Step 4: Remove Interior Shelving and Storage Bins
 - Harvests tempered glass, plastic, and metal

• Step 5: Cut Chassis into Pieces, and Harvest/Separate Foam, Metal, and Plastic





• Step 6: Seal CFC-11 Foam in Bags (for Shipment to Incinerator)



Refrigerator Recycling Programs – Where Demand Comes From



Refrigerator Recycling Programs - Typical JACO Services

- Turnkey provisioning of:
 - Call center operation (inbound 800 #)
 - Web site (program details, reservation requests)
 - Onsite verification of unit working condition
 - Unit collection / transportation
 - Recycling processing (incl. CFC-11 incin.)
 - Incentive check processing
 - Reporting

Refrigerator Recycling Programs - Optional JACO Services

- Marketing
 - Non-pilot programs often utilize mix of newspaper and TV ads
 - Retailer point-of-sale materials typically play supporting roles in large-scale programs
- Linkages to E* programs (e.g., NV in 2004)
- Participant surveying

Refrigerator Recycling Programs – Current JACO Implementations (Partial Listing)

- PacifiCorp (Utah Power & Light)
- PG&E
- Nevada Power / Sierra Pacific Power
- Fort Collins Utilities
- Puget Sound Energy
- Snohomish County (WA) P.U.D.

2004 Nevada Program - Overview

Program Basics	Customers get a \$30 rebate for having old refrigerator picked up and recycled. Additional \$20 rebate for purchasing an ENERGY STAR refrigerator available ONLY to customers that recycled.
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For Whom	Residential customers of Nevada Power and Sierra Pacific Power.
By Whom	JACO Environmental (recycling processing services and rebate
	fulfillment)
	Ecos Consulting (retail store marketing/promotions/ENERGY STAR verifications)
	Units are recycled at JACO facilities in Hayward, CA (northern NV
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	customers) and Fullerton, CA (southern NV customers).
Actual Units	~3,000 old refrigerators recycled (<i>note</i> : recycling continues through 10/04)
(through 9/04)	~850 E* new refrigerators
Recycling	Old units must be empty and cleaned out. Working condition must be
Program "Nuts	verified by unit collection technician.
and Bolts"	vermed by unit concetion technician.
	Recycled unit descriptive information tracked: manufacturer, model
	number, materials harvested.
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Program	Primarily in-retail store point-of-sale materials, including refrigerator-
Marketing	mounted tear pads and rebate forms.

2004 Nevada Program – What Happened

- Approx. 28% of participants recycling refrigerators also bought new E* units (while both program elements active)
- Many retailers had difficulty understanding and communicating the program
 - POP not particularly effective sales associates not able to "multi-task" E* appliance programs
- Many participants submitted claims for non-E* refrigerators
 - 64% fulfillment rate (v. 95% rate for E* clothes washers and dishwashers)

2004 Nevada Program – Lessons Learned

- Importance of good timing
 - A coupled refrigerator program should not run simultaneously with other E* appliance programs – sales associate confusion
- Coupled program is tricky to implement
 - Must have retailer buy-in and pro-active participation
- Mass marketing campaign was probably needed to attain greater E* unit quantities
 - 20/20 hindsight: should have used newspaper and TV ads in lead role, with POP in supporting role